

## 1600 - Grant Closeout

### General

Once all work is complete per the approved plans and specifications and the final inspection results in a recommendation of project acceptance, the Sponsor must proceed with finalizing all project costs and assembling required closeout documentation.

### Timely Submittal of Closeout Documentation

By entering into a grant agreement, a Sponsor agrees to a condition that requires them to carry out and complete the project without undue delay. Completion of the project does not end with the physical completion of the work. Project completion also includes satisfying administrative and financial closeout requirements.

The sponsor should strive to submit all final closeout documentation within 90 days of the acceptance from the contractor. Extensions to this time limit will be considered if unique circumstances prevent reasonable determination of the final project costs. This may include settling contractual issues and/or resolving disputes regarding the final construction pay estimate.

We strongly encourage Sponsors to insert a separate task item in their consultant agreement that specifically addresses preparation and submittal of closeout documentation. A time of performance of 90 days from project acceptance should be assigned to this deliverable. A specific payment provision based on a reasonable lump sum amount should be assigned to this deliverable.

### FAA Review

The FAA will review the submitted closeout documentation for the purposed of verifying that all claimed costs are eligible under the AIP and that they are properly supported by acceptable documentation.

Upon approval of the final project documentation, the FAA will authorize the final drawdown and then initiate a letter to the Sponsor indicating the project is fiscally closed.

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## RESOURCES

### Forms

- Final Project Cost Summary: [MS Word](#) | [PDF](#)
- SF-271 - Outlay Report (11x17): [MS Word](#) | [PDF](#)
- SF-271 - Outlay Report (8½x11): [MS Word](#) | [PDF](#)
- Construction Project Final Acceptance: [MS Word](#) | [PDF](#)
- Certification for Equipment Final Acceptance: [MS Word](#) | [PDF](#)

## 1610 - Development Project Closeout

The formal closeout of a project grant is the process by which the Sponsor performs all necessary administrative and financial actions to satisfactorily complete all requirements set forth in the grant agreement. Generally, the closeout process addresses three areas:

1. Completion of project work items
2. Administrative requirements
3. Financial requirements

### TIMELY SUBMITTAL

Sponsors are obligated by grant condition to carry out and complete each grant agreement without undue delay. This includes completion of the grant closeout process. Each grant agreement offered under AIP must be formally closed in a timely manner. Sponsors should assure that all closeout documentation be submitted within 90 days of the final acceptance date of the completed work.

### REQUIRED DOCUMENTATION

The type and amount of required documentation may vary per the type and size of the development project. Typically, a Sponsor must submit the items listed below to formally close out an AIP development grant project. The FAA reserves the right to request additional information for the review of the final project documentation.

1. **Sponsor Certification for Final Acceptance**

The sponsor shall complete and submit the FAA standard certification form attesting to the satisfactory completion of the work in conformance with the approved plans & specifications. Negative replies to questions on the certification must be supported with an attached explanation.

2. **Final Outlay Report - Standard Form SF-271**

Per Federal Regulation 49 CFR Part 18.41, grantees must submit a final outlay report showing all claimed costs under the subject grant. The Sponsors authorized official shall sign this report. Unsigned reports will be returned.

3. **Final Project Cost Summary**

The final project cost summary provides a greater detailed and itemized account of the incurred costs than that of the SF 271 form. The summary should identify all expenses, including AIP nonparticipating costs, which were incurred under the project.

The breakout of the expenses in the summary shall be along clear and logical classifications and shall be capable of easy verification by an independent party. The derivation of non-participating costs must be provided as an attachment. Evidence supporting all incurred costs (invoices, billing statements, receipts, purchase orders, etc.) shall be submitted with this summary. The FAA reserves the right to request additional documentation in order to evaluate the justification of any claimed cost.

4. **Final Construction Report**

The sponsor shall submit a final construction report that provides appropriate and concise information about the project. This task is typically incorporated as task item in the scope of work in the agreement with the Sponsor's consultant. As a minimum, this report shall address the following;

- Brief narrative of work accomplished as well as any excluded items

- Summary of key milestone dates - Receipt of Bids, Notice-to-proceed, substantial completion, contract date, final inspection, final acceptance
- Explanation of liquidated damage (if required)
- Statement of compliance with contract labor provisions ( payroll reviews, complaints, etc.). Reference AC 150/5100-6.
- Summary of final contract quantities.
- Explanation of underruns and overruns
- Change Order summary
- Testing report summary including a copy of all acceptance test results
- Final Inspection Report including signature of consultant.
- Contractor's Final Statement of Completion - typically submitted as the final payment request.
- Photographs that depict major elements of the completed project.

**5. Summary of DBE utilization**

The contractor shall assemble and submit a summary of the actual DBE participation. The contractor shall obtain a signed statement attesting to the extent of participation from each DBE contractor. The statement should include the name of the DBE contractor and the actual dollar amount of participation. The Sponsor is also responsible for submitting this information to the FAA Civil Rights Office

**6. As-built Record Drawings**

The sponsor must request and retain a set of as-built drawings for future reference. The sponsor shall make a statement in the cover letter confirming receipt of the record drawings. The submittal of the record drawings to the FAA is not necessary unless specifically requested by the FAA office. Sponsors shall make a copy of record drawings available to the FAA upon request. Projects that included work on FAA facilities will require submittal of record drawings at the conclusion of the project.

**7. As-built ALP (As required)**

AIP projects that result in revisions to the current ALP require the submittal of a revised ALP at the conclusion of the project. The eligible cost for this task is limited to the revisions necessitated by the AIP development work. Sponsors are not permitted to include costs for revisions to the ALP for work that is associated with non-AIP work.

**8. 5010 Updates (As Required)**

Development projects that modify the dimensions of existing runways require an updated of the airport 5010 data form. Updates may be submitted directly to the FAA Aeronautical Information Services at the following address

FAA Aeronautical Information Services  
800 Independence Ave. S.W.  
Washington, D.C. 20591  
Telephone: 1 -866-295-8236  
Fax: 202-267-5322

For AIP funded projects, the Sponsor shall submit a copy of the redlined 5010 to the FAA project manager.

**9. Airport Sign Plan (As Required)**

AIP projects that impact existing airfield signage at FAR Part 139 airports require the submittal of a updated sign plan. The sign plan will be reviewed and approved by an Airport Certification Inspector. This document should be submitted as soon as improvements have been made.

**10. Sponsor Cover letter**

The sponsor shall prepare a cover letter that transmits the required closeout documentation. This letter shall also include statements and certifications as noted below:

- a. Sponsor Amendment Request - If the incurred eligible costs exceed the established Federal obligation, the sponsor may make a written request for a grant amendment. A justification for the increase must be provided. The FAA will review the request for a determination of reasonableness and eligibility. The FAA does not guarantee funds will be readily available to cover such overages.
- b. Statement of compliance with approved plans & specifications - The sponsor must make a statement attesting to the compliance of the completed work with the approved plans and specification. A justification and explanation of excepted work items should be included as well.
- c. Eligibility of Claimed Costs - The Sponsor must make a statement that all claimed costs have been incurred, are eligible for AIP participation, and are supported by appropriate documentation.
- d. Statement confirming receipt of project "as-built" drawings.

**11. OMB Audit A-133**

Sponsors may seek reimbursement of project costs determined to be eligible under AIP and allowable in conformance with OMB Circular A-87 *"Cost Principals for State and Local Governments"*. The grant closeout procedures described herein provides the systematic process that verifies fulfillment of the terms and conditions of the grant agreement. In addition to this review, the audit provisions of OMB Circular A-133, a grant obligation, represents an extension of the closeout process that assures proper grant administration by the sponsor.

The Single Audit Act of 1984, implemented within OMB Circular A-133, *"Audits of States, Local Governments and Nonprofit Organization"* establishes the procedures to ensure uniformity in the process of conducting audits. This audit is typically not available at the same time as the grant closeout. Once completed, the Sponsor shall submit one copy of the audit report to the Federal Clearinghouse at the following address:

Federal Audit Clearinghouse  
Bureau of the Census  
1201 E. 10th Street  
Jeffersonville, IN 47132

## RESOURCES

### Forms

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## **1620 - Equipment Project Closeout**

The formal closeout of a project grant is the process by which the Sponsor performs all necessary administrative and financial actions to satisfactorily complete all requirements set forth in the grant agreement. Generally, three areas are addressed in the closeout process

1. Completion of project work items
2. Administrative requirements
3. Financial requirement

### **TIMELY SUBMITTAL**

Sponsors are obligated by grant condition to carry out and complete each grant agreement without undue delay. This includes completion of the grant closeout process. Each grant agreement offered under the AIP must be formally closed in a timely manner. Sponsors should assure that all closeout documentation be submitted within 90 days of the final acceptance date of the completed work.

### **REQUIRED DOCUMENTATION for EQUIPMENT PROJECTS**

The type and amount of required documentation may vary per the type and size of the equipment procurement. In general, the items listed below must be submitted to formally close out an AIP equipment project. The FAA reserves the right to request additional information for the review of the final project documentation.

- 1. Sponsor Certification for Equipment Final Acceptance**

The sponsor must complete and submit the certification checklist form attesting to the satisfactory completion of the work in conformance with the approved specifications and the AIP Grant requirements. Negative replies to questions on the certification must be supported with an attached explanation.

- 2. Final Outlay Report - Standard Form SF-271**

In accordance with 49 CFR Part 18.41, grantees must submit a final outlay report showing all claimed costs under the subject grant. The Sponsors authorized official must sign this report. Unsigned reports will be returned.

- 3. Final Project Cost Summary**

The final project cost summary provides a greater detail and itemization account of the incurred costs than that of the SF 271 form. The summary should identify all expenses, including AIP non-participating costs that were incurred under the project.

The breakout of the expenses in the summary must be along clear and logical classifications and must be capable of easy verification by an independent party. A derivation of non-participating costs must be provided as an attachment. Evidence supporting all incurred costs (invoices, billing statements, receipts, purchase orders, etc.) must be submitted with this summary. FAA reserves the right to request additional documentation in order to evaluate the justification of any claimed cost.

- 4. Final Acceptance Report**

The sponsor must prepare and submit a final acceptance report that provides appropriate and concise information about the equipment procurement. As a minimum, this report shall address the following:

- Provide brief description of procured equipment. Identify the make, model and serial number of the acquired equipment.

- Provide two photographs of the each acquired item. All sides of the acquired equipment should be depicted in the submitted pictures.
- Summary of key milestone dates - Receipt of Bids, NTP, delivery date, final acceptance and warranty date.
- Change Order summary (if needed)
- Summary of the acceptance tests that were conducted. (Note: Consult the appropriate Advisory Circular for specific acceptance criteria that may be required.)
- Copies of all vendor certifications.
- Statement from accepting official attesting to their concurrence with the acceptance of the subject equipment. This statement should bear the signature of the accepting official.

#### **5. Sponsor Cover letter**

The sponsor shall prepare a cover letter that transmits the required closeout documentation. This letter shall also include statements and certifications as noted below:

- a. Sponsor Amendment Request - If the incurred eligible costs exceed the established Federal obligation, the sponsor may make a written request for a grant amendment. A justification for the increase must be provided. The FAA will review the request for a determination of reasonableness and eligibility. The FAA does not guarantee funds will be readily available to cover such overages.
- b. Statement of compliance with approved procurement specifications - The sponsor shall make a statement attesting to the compliance of the completed work with the approved specification. A justification and explanation of excepted work items should be included as well.
- c. Eligibility of Claimed Costs - The Sponsor shall make a statement that all claimed costs have been incurred, are eligible for AIP participation, and are supported by appropriate documentation.
- d. Statement by the sponsor that they have established an inventory of non-expendable property that will be subject to review on a two-year basis.

#### **SPONSOR OBLIGATION to INVENTORY NON-EXPENDABLE PROPERTY**

Per the Federal requirements of 49 CFR Part 18.32, grantees acquiring equipment under a Federal Grant must maintain property records that include the following;

- Description of the property
- Serial number or other identification number
- Source of the property, who holds title
- Acquisition date
- Cost of the property
- Percentage of Federal participation in the cost of the property
- Location, use and condition of the property
- Ultimate disposition data including the date of disposal and sale price of the property.

Grant recipients should note that a physical inventory of the property is required at least every two years.

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### Forms

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## **1630 - Grant Amendment**

When eligible project costs result in a final Federal share that exceeds the original grant obligation, a sponsor may formally request an amendment to the original grant agreement for the purpose of increasing the maximum obligation to cover the cost overage.

### **Amendment Limitations**

Grant amendments are constrained by a grant condition that restricts increases of an original grant obligation to an amount not exceeding a statutory 15% limitation. Requests for grant amendments will not be considered until all required grant closeout documentation is properly submitted to the FAA.

### **Form of Request**

A Sponsor desiring a grant amendment must make a formal written request for a grant amendment. The request must state the purpose and the amount of the amendment. A brief narrative must be provided that explains the increase and justifies why it is advantageous to the Government to participate in the extra expenses.

### **Funding of Grant Increases**

The reimbursement of costs that exceed the original grant agreement can generally be handled by two funding mechanisms. The first method is the use of the sponsor's available entitlement funds. The second method is the use of recovered discretionary funds from other AIP projects.

Sponsors are advised that the FAA does not guarantee the availability of recovered discretionary funds for project overruns. The process to identify sufficient recovered discretionary funds can take a significant amount of time.

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